

# SASKATCHEWAN VALLEY LAND Co.

WHO has not heard of the Saskatchewan Valley Land Company? The Conservatives present this as the very embodiment of reckless improvidence on the part of the Interior Department, as an illustration of criminal collusion between the interested parties and Government officials, as a notable example of favour conferred upon capitalists at the expense of the settler, and, generally speaking, it is the basic stone of all attacks upon the administration of Dominion lands.

If ever there was a transaction in government lands, which demonstrated the shrewdness, wisdom, and far-seeing statesmanship of the then Minister of Interior, this is the particular operation which should be mentioned.

If ever there was conducted by officials of the Interior Department a negotiation in which the interests of the country were consulted and safe-guarded, this furnishes the illustration.

If ever there was a case in which onerous conditions were imposed upon the capitalist, as a result of which the settler became the chief beneficiary, this is the example.

If the Conservative party can find nothing in the administration of the public lands to criticize, save and excepting this particular transaction, there cannot be a higher compliment paid to the honesty of administration, or a worthier tribute to the intelligence and business acumen of the ex-Minister of the Interior.

## FIRST BOUGHT RAILWAY LANDS

To gain a clear understanding of the position, it must be kept in mind that the Saskatchewan Valley Land people purchased a portion of the land bonus of the Qu'Appelle and Long Lake Railway Company, consisting of odd numbered sections adjoining the ones afterwards purchased by the Saskatchewan Valley Company, from the Government. They were enabled to do this in consequence of the inferior quality of the land, as more fully explained below. So that a short summary of the reasons leading up to the acquisition of the Railway bonus lands, is inseparable from a clear understanding of the case.

## COMPANY ASSUMED IMMENSE OBLIGATIONS

The holdings of the Saskatchewan Valley Land Company comprised the following:—

Bought from the Qu'Appelle and Long Lake Railway Company, being a portion of their land grant.....	450,000 acres
Bought from the Government.....	250,000 acres

Total..... 700,000 acres

The land purchased from the Qu'Appelle Company consisted of odd numbered sections, and the land purchased from the Government consisted of the even numbered sections.

The area covered by the 700,000 acres above described forms a portion of what is known as the Great American Desert, which crosses the boundary and extends into the North West, East as far as the Soo line of railway, and West, sufficiently far to include the lands under discussion.

The Qu'Appelle and Long Lake Company became entitled in 1890, to a land grant of 6,400 acres a mile for constructing a railway from Regina to Prince Albert, **OF LAND FAIRLY FIT FOR SETTLEMENT.** The Company claimed that they could not find the 1,000,000 acres to which they were entitled in the 2,850,000 acres set apart from which to select, that came within the terms of their agreement, as being fairly fit for settlement. This disability was not corrected even after the area out of which they might select had been increased by several million acres.

### **LAND UNFIT FOR SETTLEMENT**

Messrs. Osler, Hammond and Nanton, representing the Company, wrote a letter to Sir Wilfrid Laurier on the 4th of July, 1900, referring to the fact that suit had been entered against the Government in the Exchequer Court, to compel the Government to carry out the terms of the contract with the Railroad Company, **AND HAND OVER LAND "FIT FOR SETTLEMENT" WHICH HAD NOT BEEN DONE.** Or they expressed their willingness to make a settlement on a cash basis, at \$1.50 per acre.

The Mr. Osler mentioned here is Mr. E. B. Osler, Conservative M.P. for Toronto, and a Director of the Canadian Pacific Railway, and one of the shrewdest and best informed men on western lands in the country. His partner, Mr. Nanton, has been a resident of Winnipeg for twenty-five years, and is a competent judge of western real estate values.

It is important on the subject of the value of this land to say, that it was intimated to the Department at a later date, that \$1.00 an acre would be accepted in settlement.

The valuers for the Company made a careful investigation of the land, and reported adversely to it. Valuers on behalf of the late Conservative Government also made an examination, and their report was unfavourable.

The Qu'Appelle and Long Lake Railway was built in 1890 and ran up through these lands. The land had been surveyed since 1882 with the exception of a small part of it. Speaking of the particular tract sold to the Saskatchewan Valley Land Company, it began sixty miles north of Regina and ran sixty or sixty-five miles in the direction of Saskatoon.

### **SETTLERS AND VALUATORS CONDEMNED LAND**

When the contract was made for the sale of lands to the Saskatchewan Valley Land Company, there were only three homestead entries in the sixty-five miles. The country was an open level plain without a stick of timber on it, a veritable arid desolation. For years, home seekers by the thousand had passed over the land, and settled to the north or west. It was surrounded by prosperous farms, but this particular area remained unclaimed, and unsettled. It was the undisputed habitation of the gopher and the prairie dog, regarded as worthless by the homesteader, the Government, the land valuator, the speculator and the Railway Company.

The fact that the Qu'Appelle and Long Lake Railway Company traversed the land did not induce settlement. It had been in operation since 1890. Two trains ran each way a week. There was not a railway station for sixty-five miles, and from Lumsden to Saskatoon, there was not a telegraph station. There was no attempt on the part

of the Railway people to settle the country, adverse reports on the land from Government officials and private valuers had determined this. Intending settlers would occasionally visit the land, but they never remained, they preferred the more remote places, and this immense tract in its arid desolation was rejected, and up to 1907 was an uninhabited, dreary, neglected waste.

## OFFER MADE FOR RAILWAY LANDS

Early in the year 1902 the land attracted the attention of Mr. D. McDonald of Qu'Appelle. This gentleman was in touch with a number of American capitalists, who had experience in settling and selling lands of a similar character to these. Mr. Adamson, who had lived for many years in the district where the lands are situated, and who deplored the lack of settlement, conferred with Mr. McDonald and his colleagues, and negotiations were commenced, having in view the acquisition of 450,000 acres of the land grant of the Qu'Appelle Company, (the total acreage ultimately purchased from the Railway Company was 869,000 acres).

Several members of the Saskatchewan Valley Land Company had the advantage of experience in dealing with lands of the semi-arid nature of these. They had formerly purchased 667,000 acres of land from the Northern Pacific Railway Company situated in the State of Minnesota. It was the residue of the land grant of the Northern Pacific Railway Company. It bears about the same relation to the general land of Minnesota, as these lands do to the general lands of Saskatchewan.

This syndicate commenced negotiations in 1899. They were first offered the Northern Pacific lands at 55 cents an acre, but refused the offer. They did not consider the land worth that money. The next year they renewed their negotiations, which resulted in the purchase at \$1.06 an acre. There were no colonization conditions attached. Within one year they cleaned up the entire transaction at prices ranging from \$5 to \$6 per acre.

The following year they bought Mr. J. J. Hill's land grant of 170,000 acres, which had been in his hands for years, and they sold every acre of it within three months.

The narrative has been brought to the point when the men who afterwards became the Saskatchewan Valley Land Company, had made overtures to purchase the odd numbered sections of the Qu'Appelle and Long Lake Company's land grant.

## SYNDICATE MAKES OFFER TO GOVERNMENT

At this point Col. Davidson, on their behalf, approached the Deputy Minister of the Interior, and made a proposition to purchase the even numbered sections adjoining the odd numbered sections purchased from the Railway Company. **THE PROPOSITION WAS NOT ENTERTAINED, THE POLICY OF THE GOVERNMENT NOT BEING TO SELL LAND, BUT TO SETTLE THE COUNTRY.**

Ultimately a new proposal was made to the Government **WHICH INCLUDED THE SALE OF THE LAND UPON SETTLEMENT CONDITIONS**, and the matter being referred to Hon. Clifford Sifton, then Minister of Interior, resulted in a contract being made which is reflected in the Order in Council of 24th of May, 1902, and is as follows:—

## SALE MADE ON BASIS OF LAND SETTLEMENT ORDER IN COUNCIL.

On a report dated the 9th of May, 1902, from the Minister of Interior, submitting that he has received a proposition from Mr. A. D. Davidson of Duluth, Minnesota, on behalf of himself and his associates, Messrs. G. F. Piper, A. L. Warner, George C. Howe, D. M. McDonald, and A. J. Adamson, for the purchase at the rate of \$1 an acre of the even numbered sections in a tract of land situated along the Qu'Appelle, Long Lake and Saskatchewan Railway, **ON CONDITION OF PLACING A NUMBER OF SETTLERS ON LANDS IN EACH OF THE TOWNSHIPS AFFECTED.**

The Minister states that the Commissioner of Immigration and the General Colonization Agent have very strongly recommended the proposition for the favourable consideration of the Department, particularly in view of the fact that the lands applied for have hitherto been **ENTIRELY PASSED OVER BY INCOMING SETTLERS**, as not being of a sufficiently desirable quality to induce their taking them up for settlement purposes.

The Minister recommends, after giving the matter very careful consideration, that the proposition of Mr. Davidson and his associates be complied with to the following extent:—

(Here follows description of the land).

The land shall be selected in certain townships.

The area to be disposed of to the Company is not to exceed in all 250,000 acres, and the price is to be \$1 an acre.

That the purchaser shall **DEPOSIT WITH THE GOVERNMENT THE SUM OF \$50,000 AS SECURITY FOR CARRYING OUT THE CONDITIONS OF THE SALE**; the said amount to be retained by the Government until all the lands have been earned, then this money shall be applied in payment of the last 50,000 acres of land. **IT IS AGREED THAT THE PURCHASER SHALL PLACE TWENTY SETTLERS ON FREE HOMESTEAD LAND IN EACH TOWNSHIP, AND TWELVE ADDITIONAL SETTLERS ON LANDS WHICH MAY BE SOLD BY THE PURCHASERS**, before they shall be entitled to purchase the remaining even numbered sections. In other words, there shall be in each township twenty quarter-sections to be settled by homesteaders, and twelve by the Company on other sections which the settler may purchase to entitle the purchasers to buy from the Department the balance of the even numbered sections at the disposal of the Department of the Interior.

It is understood that this arrangement shall extend over a period of five years, but that the purchaser shall be obliged to perform at least two-fifths of the conditions as to settlers being placed on the lands within two years from the date hereof, and one-fifth each year thereafter, **OTHERWISE THEY SHALL FORFEIT THE RIGHT TO PURCHASE, AND THE AMOUNT OF MONEY DEPOSITED WITH THE GOVERNMENT FOR SECURITY.**

The Department agrees that as soon as certain townships have been settled in accordance with the agreement, the purchasers may receive the balance of the lands to which they will be entitled in such townships under the agreement at \$1 per acre, with interest at four per cent., beginning two years from this date, to the date of such payment. No interest shall be allowed to purchasers by the Department on the deposit of \$50,000.

Any entries granted to settlers or any settlers who may have squatted on land without entry, and who have made improvements on their holdings, within any of the townships named, are to be protected and maintained in their right to free homestead entry.

It is further understood that as soon as the deposit is made in connection with this purchase the Government will proceed with the subdivisional survey of any of the townships mentioned which have not yet been subdivided.

The Minister recommends, Mr. Davidson having signified his consent on behalf of himself and associates, to accept the above terms, and having duly deposited the stipulated sum of \$50,000 that he be authorized to carry out the arrangement on the terms and conditions above set forth.

### **COMPLETED PURCHASE OF RAILWAY LANDS**

On May 12th, 1902, the purchase of 450,000 acres of land was consummated by Davidson & Company, from the Qu'Appelle and Long Lake Company, for \$1.75 an acre, and it might be mentioned here that the Railway Company, having such a poor opinion of the land, and fearing that Davidson & Company might sacrifice the first payment and be unable to complete the purchase, readily consented to allow a discount of twelve and a half per cent. if paid in full within six months, which brought the purchase price from the Railway Company down to \$1.53 an acre, without any settlement conditions attached.

On May 24th, 1902, the Order in Council was passed giving the right under certain conditions to buy.

### **SALE WAS SHREWDLY MADE.**

The terms upon which the Government sold the 250,000 acres demonstrated the shrewdness, wisdom and far-seeing statesmanship of the Hon. Clifford Sifton, Minister of the Interior.

They succeeded in selling for \$250,000, land that had been passed over by settlers and had been condemned as worthless and unfit for settlement by every experienced valuator who had ever visited it.

The Minister not only sold the land, **BUT HE SOLD IT UPON CONDITIONS OF ACTUAL SETTLEMENT OF THIRTY-TWO SETTLERS TO EACH TOWNSHIP. THE BASIC PRINCIPLE OF THE TRANSACTION WAS, "ACTUAL SETTLEMENT OF THE LAND."** Before the Company could be entitled to receive any township, they had first to place thirty-two actual settlers upon the land within it.

He exacted a deposit of \$50,000 which was to be forfeited to the Government unless two-fifths of the conditions as to settlers were fulfilled within two years, and one-fifth each year thereafter for three years. Should the Company fail in their obligations, they not only lost \$50,000, but also their right to purchase the land.

He made a bargain with the Company which put into practical operation the declared policy of **"THE LAND FOR THE SETTLER."**

### **WHAT THE COMPANY DID**

Having secured 700,000 acres of land, what did the Company do? They immediately set to work and organized a monster excursion, free. They realized that they must make known the merits of the property to the people with whom, and through whom, they expected to deal.

## CHARTERED SPECIAL TRAIN

They chartered a special train, starting from Chicago, and going through the states of Minnesota, Wisconsin, the Dakotas and Nebraska. Among their guests on that occasion were: James Fargin, President of the First National Bank, Chicago; Governor Lynn, of Minnesota; Ex-Governor Lynde, of Minnesota; Ex-Governor Miller, of Dakota; Bankers, Board of Trade members, grain dealers, leading farmers, prominent citizens, all influential men in their respective localities.

It was a large and expensive undertaking. There were altogether 370 invited guests, who were accommodated in eight sleepers, dining car, and other cars. The trip was from Chicago to Prince Albert, and return. During the trip these gentlemen were provided with all the luxuries and comforts to which they were accustomed, and they were also entertained at Winnipeg and other large cities en route, and finally returned to their homes in safety, satisfied that their time had been profitably occupied, enthusiastic as to the country, and inspired with a keen desire to take a practical interest in the development of the land.

## HAD COMPLETE ORGANIZATION

The gentlemen who formed the Saskatchewan Valley Land Company, had prepared, and ready to their hand, a complete organization for the settlement and sale of the land. The most important feature of which was, that scattered throughout the United States, they had in their employ 3,000 agents, every one of whom became an advertising unit for the Company's land.

## LAND SOLD AT MODERATE PRICES

The land was sold on moderate terms, and not at extravagant prices, as charged, in fact. They sold to some of the most powerful people in the United States. One of them, Mr. Hoard, of Central City, Nebraska, the largest cattle feeder in the United States, a man who runs a train of cattle into Chicago every week. They sold to one, Waddell, who raises 10,000 bushels of wheat a year, on his own farm. This man bought 40,000 acres, and has since disposed of it to dozens of actual settlers who farm it to-day. Sales were made to the Mennonite Brotherhood, who formed a Syndicate and went into possession of the land west of Quill Lake. That land is owned to-day by people who cultivate it. The same may be said of the German-American Land Company and the Order of St. Benedict, and the members of these associations are living on the land, and own it to-day.

Mr. Detchen, who was a guest on the excursion, invested largely in the land, his crops run as high as 100,000 bushels of grain a year. Another gentleman, a practical farmer, raises 50,000 bushels of wheat a year.

## FORMER DESERT NOW A GARDEN

All of this has been done in what was heretofore regarded as an unproductive desert, and the action of the Minister of the Interior in being responsible for the Saskatchewan Valley Land Company has resulted in the development and prosperity, of which only a few examples are given here.

When the Company first commenced operations, there were no stations on the Qu'Appelle Railway for 140 miles. The Railway Company agreed to open a station and telegraph office during the

first year of the Saskatchewan Company's operations, on the condition that the Company pay the salary of the operator for a year. This was done.

## **PROVIDED ACCOMMODATION FOR SETTLERS**

The Saskatchewan Company had also to provide accommodation for intending settlers who visited the property. In addition to this they established livery stables and provided horses and drivers so that people might go out and examine the land without expense to themselves.

## **ENORMOUS EXPENSES ENTAILED**

Enormous expenditures were entailed in the settlement of the land. To give details in this connection would be impossible, but it may be stated that in the first year alone the Company expended \$50,000 in cash, in addition to the \$50,000 of forfeit deposited with the Government. The expense of advertising, including accommodation by way of teams, drivers and hotel expenses provided for the use of those who examined the land with the view to purchase, and the money expended in Hotel and Stable buildings, etc., in the aggregate amounted to \$200,000, during the time the contract was being fulfilled.

## **WHAT IS THE CONDITION TO-DAY ?**

For 140 miles along the line of the Qu'Appelle Railway, which, previous to the advent of the Saskatchewan Valley Land Company, was an uninhabited wilderness, there are now the growing towns of Craig, Girvan, Davidson, Bladsworth, Hanley, Dundurn and many others. Business enterprises have been established in the towns, schools and churches flourish, mercantile institutions have been founded, elevators, stores and hotels abound, and there is genuine prosperity and activity where there was nothing before but the bare prairie.

The Saskatchewan Valley Land Company has brought this about, by bringing into the district men who were experienced in the methods of farming semi-arid land. The men who were taken in farmed it in the light of previous experience, hence gratifying results.

The Saskatchewan Valley Land Company undertook to do a certain work, and they did it thoroughly. They more than fulfilled the conditions of settlement, and, as the result of their enterprise, experience, and investment of capital, if they made money, the country has benefitted, for they have re-invested it in other enterprises in Western Canada, and in addition to the National benefit they conferred on the country by settling up what was always regarded as useless land, they have become energetic and useful citizens of the west.

## **GOOD RESULTS OF COMPANY'S OPERATIONS**

As a direct result of the operations of the Saskatchewan Valley Land Company, and the efforts of their 3,000 odd agents in the United States, immigration from that country received an immediate stimulus as the figures will show. The following table proves that immigration from the United States was at a low ebb in 1900, and that there were few homesteaders at that period. This was one year before the Saskatchewan Company got to work. The years immediately

following saw a large immigration and increased numbers of homesteaders.

	Immigrants from U. S.	Homesteaders.
Year 1900-01.....	17,987	2,026
" 1901-02.....	26,388	4,761
" 1902-03.....	49,473	10,942
" 1903-04.....	45,229	7,730
" 1904-05.....	43,652	8,532
" 1905-06.....	57,919	12,485

### ONEROUS CONDITIONS WERE ATTACHED

To make clear the extent of the handicap and the onerous conditions under which the Company contended with respect to the conditions of settlement, it would be well to consider the following:—

Each township contains..... 36 sections.

Deduct two school and two  
Hudson Bay sections..... 4

Leaves..... 32

Odd numbered Railway sections. 16

Leaves..... 16

That meant that the Company had to place two settlers upon each available section in each township, before they had the right to purchase the even numbered sections in any township.

### WHAT THE WEST THINKS OF IT

Public opinion may be relied upon as a test of approbation or otherwise—Well, Mr. Adamson has since been returned to Parliament from the very district as a representative of the people, his opponent losing his deposit. Mr. Walter Scott was also returned by a large majority, and Mr. Turriff, who was Commissioner of Dominion Lands at the time the transaction went through the Department, was elected in 1904 by 765 majority, and the elections were fought largely upon matters arising out of the contract with the Saskatchewan Valley Land Company.

The criticism directed against this Company is two-fold. First, it charged that the price paid for the land was too low. Second, it has been suggested that Mr. Turriff, M.P., who was Commissioner of Dominion Lands at the time the contract was made with the Company, acted improperly, or showed favoritism because his brother-in-law, Mr. Adamson, M.P., was one of the beneficiaries under the contract.

Neither Mr. Adamson nor Mr. Turriff were members of the House when the contract was made. Mr. Adamson has since denied on the floor of the House, on his responsibility as a member, that he had any consultation or discussion with Mr. Turriff with regard to the matter, verbally or in writing, or that Mr. Turriff knew anything of his (Adamson's) connection with the enterprise at the time he (Adamson) went into it.